
Appendix A: Summary of Changes to the BHCPR

This appendix describes the significant changes to the *Bank Holding Company Performance Report* since the publication of the previous edition of the manual (dated March 1999).

Summary of Changes to the March 2001 BHCPR

Revisions to the Bank Holding Company Performance Report (BHCPR) since the March 1999 version resulted primarily from modifications and additions to the FR Y-9C and LP reports (Consolidated Financial Statements for Bank Holding Companies and Parent Company Only Financial Statements for Large Bank Holding Companies, respectively). In addition, some changes were made to supplemental ratios displayed for bank holding companies that have elected subchapter S tax status. Major changes to BHCPR pages are detailed below.

BHCPR Report Format Changes

BHCPR Page 1—Summary Ratios

1. The caption “Provision for Losses” has been changed to “Provision for Loan and Lease Losses” to reflect a change in reporting loss provisions on the FR Y-9C Report. The provision for allocated transfer risk is no longer included in this item.
2. This page now includes a line item for an adjusted return on average assets for bank holding companies that have elected subchapter S tax status. This item displays a return on average assets calculated after adjusting net income downward by 35 percent (an assumed federal income tax rate). This adjustment facilitates the comparison of returns at subchapter S bank holding companies with the returns at other bank holding companies.
3. The ratio of loans past due 30–89 days to total loans has been added to this page. This ratio is confidential prior to March 31, 2001 and is not included on publicly available reports for periods ending before that date.
4. A line item has been added for an adjusted dividend payout ratio for bank holding companies that have elected subchapter S tax status. This item adjusts both income and

dividends downward by 35 percent (an assumed federal income tax rate). This adjustment facilitates the comparison of dividend payout ratios at subchapter S bank holding companies with those at other bank holding companies.

BHCPR Page 2—Income Statement—Revenues and Expenses

1. The caption “Interest on Other Borrowings” has been changed to “Interest on Other Borrowings & Trad Liab.” This change reflects a modification in the FR Y-9C to include interest on trading liabilities with interest on other borrowings.
2. The caption “Provision for Credit Losses” has been changed to “Provision for Loan and Lease Losses” to reflect a change in reporting loss provisions on the FR Y-9C Report.
3. The line item “Provision for Allocated Transfer Risk “ has been omitted. This provision is no longer separately reported on the FR Y-9C report; it is now included in “Overhead Expense” on the BHCPR.
4. The categories of investment securities income have been changed to correspond to those reported on the FR Y-9C beginning March 31, 2001. The BHCPR includes investment securities income for the “U.S. Treasury and Agency Sec (excl MBS),” “Mortgage-Backed Securities,” and “All Other Securities” subcategories only for report dates after December 31, 2000.

BHCPR Page 3—Relative Income Statement and Margin Analysis

1. The caption “Less: Provision for Credit Losses” has been changed to “Less: Provision for Loan and Lease Losses” to reflect a change in reporting loss provisions on the FR Y-9C Report.

2. The line item “Less: Provision for Allocated Transfer Risk “ has been deleted. This provision is no longer separately reported on the FR Y-9C report; it is now included in the “Less: Overhead Expense” category on this BHCPR page.
3. The yield on investment securities (TE) has been moved down the page and now precedes the yields on the components of securities.
4. The categories of yields on investment securities have been changed to correspond to securities income categories reported on the FR Y-9C beginning March 31, 2001. The BHCPR includes yields on the “U.S. Treasury and Agency Sec (excl MBS),” “Mortgage-Backed Securities,” and “All Other Securities” subcategories only for report dates after December 31, 2000.
5. The caption on the cost of “Other Borrowed Funds” has been changed to “Other Borrowings & Trading Liab.” This change reflects a modification in the FR Y-9C to include interest on trading liabilities with interest on other borrowings.
6. The line item for the cost of “Mortgages and Capitalized Leases” has been omitted. The cost of mortgages and capitalized leases is reflected in the cost of “Other Borrowings & Trading Liab” line item on the report.

BHCPR Page 4—Non-Interest Income and Expense

1. The item for “Service Charges, Commissions, and Fees” has been replaced by “Service Charges on Dep Accts-Domestic.” This reflects a change in reporting on the FR Y-9C.
2. Consistent with changes to the FR Y-9C report, new non-interest income categories have been added to the BHCPR for “Investment Banking Fees and Commis-

sions,” “Venture Capital Revenue,” “Net Servicing Fees,” “Net Securitization Income,” “Insurance Commissions & Fees (incl Prem),” and “Net Gains (Losses) on Sales of Loans, OREO, Other Assets.” The BHCPR includes data for these line items only for report dates after December 31, 2000.

3. An expense item has been added for “Amortization of Intangibles (incl goodwill).” This reflects a change in reporting on the FR Y-9C. The BHCPR includes data for this line item only for report dates after December 31, 2000.
4. The breakdown of trading revenue by type of derivative instrument has been deleted. In addition, trading revenue is no longer repeated in the memoranda section of this page.
5. This page now includes a memorandum item on assets under management in proprietary mutual funds and annuities. This reflects a change in reporting on the FR Y-9C. The BHCPR includes data for this line item only for report dates after December 31, 2000.
6. Information on quarterly sales of mutual funds and annuities by type and quarterly gross mutual fund and annuity redemptions is no longer being collected on the FR Y-9C report. Corresponding line items on the BHCPR have been deleted.
7. Analysis ratios have been added for the new non-interest income items listed above. These ratios calculate the portion of adjusted operating income accounted for by these components of non-interest income. The BHCPR includes data for these ratios only for report dates after December 31, 2000.

BHCPR Page 5—Assets

1. The caption “Loans to Depository Institutions” has been changed to “Loans to Depository Instit & Oth Banks Accept.” This reflects a change in reporting on the FR Y-9C that combined two items.

2. The caption “Less: Allow for Ln & Ls Losses & ATRR” has been changed to “Less: Allow for Ln & Ls Losses.” Any allocated transfer risk reserve is now netted from loans reported in the preceding line items in accordance with reporting requirements for the FR Y-9C.
3. The caption “Securities Over 1 Year” has been changed to “Debt Securities Over 1 Year.”
4. The caption “Equity Securities” has been changed to “Mutual Funds and Equity Securities” to more closely conform to the corresponding line item on the FR Y-9C report.
5. The line items detailing the subcategories of “RE Loans Secured by 1-4 Family” loans have been deleted from this page. Detail on these subcategories remains available on page 4, “Percent Composition of Assets and Loan Mix,” of the BHCPR.
6. The categories of investment securities have been expanded to conform to reporting changes for the FR Y-9C. The BHCPR now includes line items for “U.S. Treasury Securities,” “U.S. Agency Securities (excl MBS),” “Mortgage-Backed Securities,” “Asset-Backed Securities,” “Other Debt Securities,” and “Mutual Funds and Equity Securities.” For Bank Holding Companies with less than \$1 billion in assets, the BHCPR includes data on the “U.S. Agency Securities (excl MBS),” “Mortgage-Backed Securities,” and “Asset-Backed Securities” subcategories only for report dates after December 31, 2000. For Bank Holding Companies with more than \$1 billion in assets, the BHCPR includes data on “Asset-Backed Securities” only for report dates after December 31, 2000.
7. The line item for “Short Term Investments” has been deleted. Other detail on short term investments remains available on page 8, “Liquidity and Funding,” of the BHCPR.

BHCPR Page 6—Liabilities and Changes in Capital

1. The line items for “Equity Commitment Notes” and “Equity Contract Notes” have been deleted. These items are now included in “Subordinated Notes and Debentures” on this page. These changes reflect revised reporting requirements for the FR Y-9C.
2. “Minority Interest” has been separated from “Other Liabilities” and is now presented on the page following “Total Liabilities.” This change follows revisions to the presentation of the balance sheet on the FR Y-9C report.
3. Consistent with FASB Statement No. 130, “Reporting Comprehensive Income,” the line items for “Foreign Currency Translation Adjustments,” “Net Unrealized G/L on AFS Sec,” and “Accumulated Gains (Losses) on Cash Flow Hedges” have been combined in a new line item for “Accumulated Other Comprehensive Income.” Historical data for this new line item reflects the aggregation of the components of “Accumulated Other Comprehensive Income.”
4. A new line item for “Other Equity Capital Components” has been added. This change reflects revised reporting requirements for the FR Y-9C.
5. The caption “Equity Capital, Previous Year-end” has been changed to “Equity Capital, Previous Year-end as Amended” to reflect a change in reporting requirements for the FR Y-9C. In addition, the line item for “Prior Period Adjustments” has been deleted. These adjustments are now reflected in the amended beginning balance for equity capital.
6. “Accounting Restatements” have been moved up higher in the presentation of changes in equity capital to conform with a modification to the FR Y-9C report.
7. Consistent with FASB Statement No. 130, “Reporting Comprehensive Income,” the line items for “Equity Commitment Notes” and “Equity Contract Notes” have been deleted. These items are now included in “Subordinated Notes and Debentures” on this page. These changes reflect revised reporting requirements for the FR Y-9C.

sive Income,” the line items for “Foreign Currency Translation and Other Adj,” the “Chg in Net Unrlzd Gains (Losses) on Sec,” and the “Chg in Accum Net Gains (Losses) on Cash Flow Hedges” have been combined in a new line item for “Change in Other Comprehensive Income.” Historical data for this new line item reflects the aggregation of the components of “Change in Other Comprehensive Income.”

8. A new line item has been added for “Other Adjustments to Equity Capital.” This change reflects revised reporting requirements for the FR Y-9C.

BHCPR Page 7—Percent Composition of Assets and Loan Mix

1. The caption “Securities Over 1 Year” has been changed to “Debt Securities Over 1 Year.”
2. The caption “Equity Securities” has been changed to “Mutual Funds and Equity Securities” to more closely conform to the corresponding line item on the FR Y-9C report.
3. The categories of investment securities in the Memoranda section have been expanded to conform to reporting changes for the FR Y-9C. The Memoranda section now includes line items for “U.S. Treasury Securities,” “U.S. Agency Securities (excl MBS),” “Mortgage Backed Securities,” “Asset-Backed Securities,” and “Other Debt Securities.” For Bank Holding Companies with less than \$1 billion in assets, the BHCPR includes data on the “U.S. Agency Securities (excl MBS),” “Mortgage-Backed Securities,” and “Asset Backed Securities” subcategories only for report dates after December 31, 2000. For Bank Holding Companies with more than \$1 billion in assets, the BHCPR includes data on “Asset-Backed Securities” only for report dates after December 31, 2000.

BHCPR Page 8—Liquidity and Funding

1. The line item for “U.S. Agency Sec Appr (Depr)/Eq Capital” has been deleted.
2. The categories of investment securities on this page have been expanded to conform to reporting changes for the FR Y-9C. The composition of investment securities section now includes line items for “U.S. Treasury Securities,” “U.S. Agency Securities (excl MBS),” “Mortgage-Backed Securities,” “Asset-Backed Securities,” “Other Debt Securities,” and “Mutual Funds and Equity Securities.” For Bank Holding Companies with less than \$1 billion in assets, the BHCPR includes data on the “U.S. Agency Securities (excl MBS),” “Mortgage-Backed Securities,” and “Asset-Backed Securities” subcategories only for report dates after December 31, 2000. For Bank Holding Companies with more than \$1 billion in assets, the BHCPR includes data on “Asset-Backed Securities” only for report dates after December 31, 2000.

BHCPR Page 9—Derivatives and Off-Balance Sheet Transactions

1. The title of this page has been changed from “Off-Balance Sheet Transactions” to “Derivatives and Off-Balance Sheet Transactions.” This change reflects the reporting of derivatives as balance sheet items consistent with FASB Statement No. 133, “Accounting for Derivative Instruments and Hedging Activities.”
2. The line items for securities borrowed and securities borrowed as a percent of total assets have been deleted. Under changes to the FR Y-9C, securities borrowed are now reported separately only by companies at which the item exceeds 25 percent of equity capital.

BHCPR Page 10—Derivative Instruments

1. Under FASB Statement No. 133,

“Accounting for Derivative Instruments and Hedging Activities,” all derivative instruments must be marked to market. Accordingly, two items on this page that highlighted the portion of total derivatives marked to market are no longer relevant and have been deleted. In addition, items on the book value of past due derivatives have been removed since all derivatives are now recorded at fair value. The caption “Credit Losses on Off-BS Deriv Contracts” also has been changed to “Credit Losses on Deriv Contracts” since all derivatives are now reported on the balance sheet.

2. A line item for derivative instruments past due 30-89 days has been added to this page. This item is confidential prior to March 31, 2001 and is not included on publicly available reports for periods ending before that date.
3. “Net Unamortized Realized Gains (Losses) on Derivatives” are no longer being reported on the FR Y-9C. The corresponding line item on this page has been deleted.

BHCPR Page 11—Derivatives Analysis

1. Under FASB Statement No. 133, “Accounting for Derivative Instruments and Hedging Activities,” all derivative instruments must be marked to market. Accordingly, two ratios on this page that highlighted the portion of total derivatives marked to market are no longer relevant and have been deleted. In addition, items on the book value of past due derivatives have been removed since all derivatives are now recorded at fair value. The caption “Cr Losses on Off-BS Deriv Contracts” also has been changed to “Cr Losses on Deriv Contracts” since all derivatives are now reported on the balance sheet.
2. A line item for derivative instruments past due 30-89 days has been added to this page. This item is confidential prior to March 31,

2001 and is not included on publicly available reports for periods ending before that date.

3. "Net Unamortized Realized Gains (Losses) on Derivatives" are no longer being reported on the FR Y-9C. The ratio on this page that uses that item has been deleted.

BHCPR Page 12—Allowance and Net Loan and Lease Losses

1. Captions referencing the "Provision for Credit Losses" have been changed to use the "Provision for Loan and Lease Losses" instead. This reflects a change in reporting loss provisions on the FR Y-9C Report. In addition, references to allowances on this page now reflect the allowance for loan and lease losses only.
2. Line items for "Foreign Currency Adjustments," "Adjustments due to Mergers and Absorptions," and "Other Adjustments" have been combined in a new "Adjustments" category. This change reflects revised reporting requirements for the FR Y-9C.
3. The memo item for the provision for allocated transfer risk has been replaced by a memo item displaying the allocated transfer risk reserve (ATRR). The provision for allocated transfer risk is no longer being reported as a separate item on the FR Y-9C.

BHCPR Page 13—Past Due and Nonaccrual Assets

1. Beginning with the March 31, 2001 BHCPR, the nonconfidential version of this page is identical to the regulatory version of this page. However, data on 30-89 day past due items is not displayed on publicly available reports for dates before March 31, 2001.
2. Captions and ratios on this page that use the "Allowance for Credit Losses" have been changed to use the allowance for loan and lease losses instead.

BHCPR Page 13A—Past Due and Nonaccrual Loans and Leases

Beginning with the March 31, 2001 BHCPR, the nonconfidential version of this page is identical to the regulatory version of this page. However, data on 30-89 day past due items is not displayed on publicly available reports for dates before March 31, 2001.

BHCPR Page 14—Risk-Based Capital

1. The presentation of the components of risk-based capital has been changed to conform to the presentation of schedule HC-R, "Regulatory Capital," of the FR Y-9C.
2. Beginning with the March 31, 2001 report date, this page displays risk-based capital ratios as reported by the bank holding company. Prior to March 31, 2001, these ratios were computed using data from the FR Y-9C report.

BHCPR Page 15—Insurance and Foreign Activities

1. This page has been divided into two distinct components; the first addresses insurance activities while the second addresses foreign activities. Accordingly, the name of the page has been changed from "Foreign Activities" to "Insurance and Foreign Activities."
2. The top portion of the insurance activities section displays insurance-related balance sheet and income statement items from Schedules HC-I, "Insurance-Related Activities," and HI, "Consolidated Income Statement," of the FR Y-9C report. The BHCPR includes data for these items only for report dates after December 31, 2000.
3. The lower portion of the insurance activities section displays several analysis ratios. These ratios display the proportion of insurance assets to total assets, insurance income to total net and noninterest income, and insurance

expenses to total overhead. The BHCPR includes data for these items only for report dates after December 31, 2000.

4. The bottom portion of the page addresses foreign activities. Several items addressing foreign activities have been deleted from the FR Y-9C report. Accordingly, the information on foreign activities included in the BHCPR has been condensed. Specifically, line items for "Equity Securities," "Total Foreign Securities," "Standby Letters of Credit," "Stdby LC/Total Loans and Ls," and yields on "Interest-Bearing Balances" and "Foreign Securities" have been deleted since items used to calculate them are no longer reported on the FR Y-9C report. In addition, the line item for "Total Foreign Loans" has been deleted.

BHCPR Page 16—Parent Company Income Statement

1. The caption "Provision for Credit Losses" has been changed to "Provision for Loan and Lease Losses" to conform with a change to the FR Y-9LP report.

BHCPR Page 17—Parent Company Balance Sheet

1. The line items for equity contract and equity commitment notes have been combined with the line item for subordinated notes and debentures on the FR Y-9LP. Consequently, the corresponding line items on the BHCPR have been deleted.
2. Consistent with FASB Statement No. 130, "Reporting Comprehensive Income," the line items for "Net Unrlzd G/L on AFS Sec" and "Accumulated Gains (Losses) on Cash Flow Hedges" are being combined in a new line item for "Accumulated Other Comprehensive Income." Historical data for this new line item reflects the aggregation of the components of "Accumulated Other Comprehensive Income."

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3. The line item “Less: Treasury Stock” has been deleted. It has been replaced by a new item for “Other Equity Capital Compon” that includes treasury stock and unearned ESOP shares. This change reflects revised reporting requirements for the FR Y-9LP report.

